

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEALS OF LOUIS) APPEAL NO. 07-A-2279
KREPCIK from the decision of the Board of) FINAL DECISION
Equalization of Twin Falls County for tax year 2007.) AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing January 14, 2008, in Twin Falls, Idaho before Board Member David E. Kinghorn. Board Member Lyle R. Cobbs participated in this decision. Appellant was unable to appear at hearing, however, submitted written materials for the Board to consider. Assessor Gerald Bowden, Deputy Assessor Gary Beeson, Deputy Prosecutor Matt Pember, and Appraisers John Knapple and Andrew Hemphries appeared for Respondent Twin Falls County. This appeals is taken from the decision of the Twin Falls County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RPT00010060090A.

The issue on appeal is the market value of an improved residential property.

The decision of the Twin Falls County Board of Equalization is affirmed.

FINDINGS OF FACT

Parcel Nos. RPT00010060090A

The assessed land value is \$18,664, and the improvements' valuation is \$172,616, totaling \$191,280. Appellant requests the total value be reduced to \$175,000.

The subject property is a .143 acre residential property improved with a 3,309 square foot residence. Other improvements include a two-car garage and one-car carport. Subject is located in Twin Falls.

Appellant provided documentation concerning the sale of subject on August 10, 2007 for \$179,000. Certain deductions were taken, making the final total \$175,500. Appellant argued this

amount reflected the market value of subject and the assessment should be reduced accordingly.

Respondent explained subject's land value was derived from land tables developed from sales in the area. Specifics regarding the sales used in the land tables were not provided, however, Respondent stated the tables were uniformly applied to all parcels in the county, with adjustments applied for location within the county.

Respondent also prepared an appraisal of subject. Both the cost and market approaches were examined. A computer program that estimates the cost to build subject was used. After factoring in a local cost modifier to reflect costs in subject's specific area, the total indicated value of subject was \$191,280.

Under the sales approach, Respondent analyzed three (3) sales of improved residential properties in subject's immediate area. One sale occurred in November 2006 and the remaining sales transpired in January and February 2007. Adjustments were made to account for differences of the sale properties compared to subject, resulting in adjusted sales prices between \$200,410 and \$207,022. Respondent contended these sales supported subject's assessed value.

Also mentioned was the listing history of subject. The property was first listed in July 2006 for \$249,900. In January 2007, the reduced listing price was \$199,500, which remained in place until April 2007 when the price was dropped to \$195,000. Respondent argued the listing history further supported subject's value.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments

and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

For the purposes of taxation, Idaho law requires property be assessed at market value, as defined in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Further, property must be valued on January 1 of the applicable tax year; January 1, 2007 in the present case. Idaho Code § 63-205.

Appellant’s case focused on subject’s August 2007 sale for \$179,000. While a sale involving subject would be considered good evidence of market value, the sale occurred well after the applicable lien date. As such, it cannot be used as a reliable indicator of subject’s value on January 1, 2007.

We need not discuss the listing history of subject because listing prices are not considered reliable indicators of market value.

Respondent estimated subject’s value using both the cost and market (sales comparison) approaches. The cost approach placed subject’s value at \$191,280.

Under the market approach, Respondent examined three (3) sales of improved residential property. After making adjustments for differences compared to subject, the adjusted sales prices were between \$200,410 and \$207,022. The problem of course is two (2) of the sales occurred in 2007, so cannot be considered here. The adjusted price of the November 2006 sale was \$200,410.

The Assessor's values are presumed correct and the burden is on Appellant to show by a preponderance of the evidence the assessment is erroneous. *Board of County Comm'rs of Ada County v. Sears, Roebuck & Co.*, 74 Idaho 39, 46-47, 256 P.2d 526, 530 (1953). Appellant has not met that burden here. Because subject's August 2007 sale cannot be considered, Appellant was left with no timely value evidence for the Board to consider. Furthermore, no error was shown in the methods used by Respondent to value subject.

For the reasons above, the decision of the Twin Falls County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Twin Falls County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED April 30, 2008